

### CERTIFICATE OF EQUIPMENT USE

Reference: Requisition Number or Purchase Order Number \_\_\_\_\_:

Using Agency Certifications:

1. Using Agency has entered into an Equipment and Payment Schedule ("Schedule"), which by its terms, incorporates the provisions of the Master Installment Purchase Agreement dated as of June 25, 2001 ("Agreement") between Koch Financial Corporation, and the State of Louisiana (the "State"). All representations herein are made by the Using Agency with reference to the terms and conditions of the Schedule and Agreement on behalf of the State, and nothing herein shall diminish any rights or benefits of the Using Agency or the State thereunder. The property listed in the Schedule is movable.

2. It is expected that the payments due from the State under the Schedule and the Agreement ("Payments") will be paid from annual appropriations of the State deposited into its general fund, that such appropriations will equal such Payments due during each payment period, and that all amounts paid by the State for such Payments will be from an appropriation made to the State for the fiscal year during which such payments are made. No other fund or account will be used directly or indirectly to pay such Payments, nor will any other fund or account be pledged as security for the payment of such Payments.

3. The State will not receive proceeds or other consideration for its payment of such Payments other than the use, possession and ownership of the property pursuant to the terms and conditions of the Schedule and Agreement. It is reasonably expected that the State will not sell or otherwise dispose of the property prior to the termination of the Schedule.

4. No more than five percent (5%) of the use of the property in any given month shall be, directly or indirectly conducted in any activity carried on by a person other than a governmental unit, unless such use is by a member of the general public. The State will not use or permit the use of the property in such a manner or to such extent as would result in the loss of exemption from federal income tax of the interest portion of the Payment.

5. The State agrees to provide such documentation as may be required for the purpose of reporting the Schedule and Agreement under the provisions of the Internal Revenue Code of 1986, its amendments, restatements or rules and regulations.

6. The State represents that the property acquired under the Schedule is essential to its proper, efficient and economic operations. To that end, the State provides the following responses concerning the property's intended use:

- a. Why was the specific manufacturer's/vendor's property selected?
- b. What will be the property's application?
- c. Why is the property essential to the Using Agency's operations?
- d. What increased capabilities will the property provide?
- e. What is the estimated useful life of the property to the Using Agency's operations?
- f. What, if any, existing property will be replaced by the property selected?  
What is the age of the replacement property?
- g. Why, if at all, is the existing property being replaced?
- h. If the equipment is not replaced, why is the additional equipment needed?

- i. Contact name and phone number of the agency using the equipment if additional information is required.

7. The Commissioner of Internal Revenue has not published notice that the Using Agency is disqualified and may not certify its obligations under Treasury regulations Section 1.103-13(a)(2), nor has the Using Agency been notified that such action is contemplated.

To the best knowledge and belief of the undersigned, no other facts, estimates or circumstances exist which would materially change the expectations of the Using Agency as set further herein, furthermore, said expectations are reasonable. The undersigned is duly authorized to bind the State and Using Agency in executing this Certificate.

\_\_\_\_\_  
Using Agency

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_